

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



United States
Department of
Agriculture

Office of
Governmental
and Public Affairs

Speeches and Major Press Releases

August 11 - August 15, 1980

U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL LIBRARY

NOV 19 1980

CATALOGING = PREP.

Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

245
Excerpts from remarks by Deputy Secretary Jim Williams before the 65th annual meeting of the National Association of County Agricultural Agents, Oklahoma City, Oklahoma, August 11, 1980 []

President Carter spoke with great foresight two years ago when he elevated the energy crisis to "the moral equivalent of war."

As the father of a 22-year old son, I have a personal interest in seeing that that crisis remains only the moral equivalent of war. I vigorously support the restraint demonstrated by the President and his decision to exhaust economic and diplomatic measures before turning to the military alternative. I would rather launch an all-out offensive here at home on the nation's inflation and energy problems, using Jim's brains, education, youth and patriotism, than defend the strategic importance of the Persian Gulf with my son's life.

Between 1973 and 1977, two other American presidents had discussed the need for an energy policy. But it wasn't popular...and nothing was done. Since 1973, we've increased our dependence on foreign oil by nearly 50 percent. Our foreign oil bill has increased thirty-fold in the last decade.

In 1960, we imported almost a fifth of our oil consumption and paid \$1.5 billion for it. By 1977, we were importing almost half of our consumption and paying \$.5 billion for it.

Last summer it looked like this year's oil bill would hit \$70 billion.

1980 has arrived. Our dependence this year won't cost us \$70 billion, but \$90 billion. That's more than \$400 for every man, woman, and child in this country.

This nation has needed an energy master plan for 20 years. Now, for the first time, because we have a President unafraid to make tough, unpopular decisions, we've got one.

The President's plan isn't easy. But it's achievable.

The most ambitious and long-term part of the President's program focuses on developing our other, abundant domestic resources. Synthetic fuels development is our chief defense against the double threat of escalating OPEC prices and a politically unstable Middle East.

Last January the administration announced an alcohol fuels program. The goal is to increase the nation's capacity to produce gasohol by more than six-fold before the end of 1981. This program is a major and long-term policy change. It will be of continuing benefit to farmers. It puts the production of farm commodities for alcohol feedstocks right next to the production of food, feed, and fiber as a major objective of agricultural policy.

You've been doing a yeoman's job in talking with farmers about the production and use of alcohol and I want you to know that we're aware of and appreciate your efforts in Washington.

You're also a prime force in working with farmers in energy conservation.

I would like you to go back and tell farmers that we understand their unique situation.

Agricultural production only uses about 3 percent of the nation's total energy consumption. But on that 3 percent depends the American supply of food and fiber. Because so much of that small amount--93 percent--is petroleum based, farmers' fuel costs have risen faster than those of the general public.

Tell farmers we're fully aware that they're helping the rest of the nation by buying oil with dollars earned from export trade. This year that trade should hit at least \$38 billion, more than \$6 billion over last year, for an agricultural trade surplus of more than \$19 billion.

Another decision made by this administration--one in which you've again played a part--was to study the changing structure of American agriculture.

Secretary Bergland launched the project with three goals:

First, to clarify the public's goals for national food and agricultural policy. A series of ten hearings, which many of you attended, was held around the country last fall; Second, to look honestly at government policy and determine whether it really serves the people or frustrates their efforts;

And third, to evaluate all of this information and use it as a base for coming up with policy options for the 1981 farm bill.

The great significance of the information that will be gathered from the Secretary's project is that it will be there--laid out openly and clearly--for either administration to use in preparing the 1981 farm bill.

The structure study is apolitical. It has no limits in time, scope or purpose. Not to pursue the issues revealed and not to reach conclusions, on the part of either administration, would be to compromise the progress already made and shortchange the time and effort of the project's many participants.

#

Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Remarks of Dale E. Hathaway, Under Secretary of Agriculture for International Affairs and Commodity Programs before the annual meeting of the National Soybean Processors Association, Pebble Beach, California, August 12, 1980.

EXPORT POLICIES FOR THE EIGHTIES,

The soybean is, of course, unique as a growth industry in American agriculture. This is basic to any consideration of problems and opportunities for expanded trade.

Before 1930, the total U.S. soybean crop was less than 10 million bushels. By the early 1940's, production had climbed above 100 million bushels. Since then, we have had a doubling of production every 8 to 12 years.

In recent times, one-half of that production has gone into export--either in the form of beans or as products. In the new marketing year beginning next month, that proportion will be even higher--perhaps approaching 60 percent.

In 1979/80, U.S. exports of soybean meal are estimated at a record 6.8 million tons. Exports in the new marketing year, 1980/81, will fall off perhaps to 6.2 million tons, but this will still be a third higher than our meal exports 5 years ago.

Over a 5-year period, the rate of growth in meal exports is about equivalent to the rate of growth in crop production. U.S. exports of soybean oil have increased at an even more rapid rate. Oil exports have doubled from where they were five years ago.

Obviously, a continued growth in exports is necessary to support an expansion in U.S. soybean production. And, of course, the reverse is true. Progressively larger crops will be required to take advantage of growing opportunities in international trade.

Soybeans are in some ways unique as a growth commodity in contrast to, say, wheat:

For one thing, soybeans are exceptionally rich in nutrient value--useful in the creation of a great variety of feed and food products, many of which have not yet been invented or perfected.

Secondly, soybeans are a commodity where world markets have remained more open than for most agricultural commodities. Because of relatively free entry into major markets, the price of the commodity affects the amount of soybeans that people use. Users have many options--both in substituting competitive products and in reducing the total use of proteins, as in the feeding of poultry and livestock.

Looking ahead, we can foresee a substantial growth in demand for protein. We envision a high elasticity reflecting the growth in personal incomes. Therefore, we can look forward to the opportunity for expanded international trade in the soybean complex.

It seems clear that, for the agricultural market as a whole, exports in the 1980's will represent an even greater influence than they have in the recent past. For one thing, the population growth rate outside the U.S. is higher than that for the United States. Also, our rate of income growth has lagged recently, indicating that dietary levels will not be improving as rapidly as would be the case with higher growth in real income.

It is also true that U.S. consumption levels are for the most part already high in terms of both calories and quality, relative to other countries, even those that are economically developed. Obviously, if a country consumes 43 pounds of red meat per person, as the Japanese do, that market represents more potential for growth than a people who already consume four times that much, as we do in the United States.

Hence the opportunity for market growth in soybeans and products will hinge importantly on our ability to expand outlets abroad. There are, of course, problems:

(1) One is the general slowdown in world economic growth. While the United States and Great Britain are the only major industrial countries with declining economies in 1980, economic growth in most other countries is much slower than last year. Slowing economies often generate a growth in trade protectionism. Any growth in trade restrictions would be likely to affect trade in soybeans and soybean products.

(2) In the longer term, much of the growth in demand for U.S. farm products is likely to occur in economies that use state buying mechanisms. Buying by a central agency means that decisions are less sensitive to world price changes. This is likely to contribute to greater

instability in market prices as the role of such countries in world soybean markets increases.

(3) There is also the problem of maintaining a competitive position in a world where new suppliers are coming into the market with large potentials for production, processing, and trade. While the United States has moved back up to a level where we account for 80 percent of the world's soybean trade, we are falling behind Brazil as an exporter of soybean meal. Argentina, while not much of a factor in the meal market, has come on strong in the last 5 years to move well ahead of Brazil as an exporter of beans. We expect Argentina to export almost 2-1/2 million tons of soybeans this season. There are also reports of large soybean plantings in Paraguay and Uruguay.

There are three things we need to do to meet this challenge from South American countries. We need to concentrate on market development. We need to continue our attention to product quality. And we need to maintain our position as a dependable supplier.

With these needs in mind, the U.S. Government strongly supports the efforts of the American soybean processing industry to establish a Soybean Meal Export Development Program. We believe strongly in voluntary industry action to improve relations with overseas customers, to improve the conditions under which its products are shipped, and to standardize technical characteristics of those export products.

Steps taken by this industry beginning with inspection tours of loading facilities in 1978, show great promise in determining the validity of complaints and meeting those complaints with constructive action.

Of special note are the trading rule changes which establish new standards and procedures for blending and sampling of export-bound soybean meal recommendations leading to action to amend GAFTA (Grain and Feed Trade Association) contracts, research to improve quality determination, and an educational program to acquaint U.S. and European officials with soybean processing and export procedures.

These actions have brought a definite improvement in understanding and goodwill among oilseed trading partners as well as competitors. This has occurred in a period of only two years, and I think it can be credited to the willingness of American soybean processors to join with their friends in other parts of the world to

resolve different views as to how the process of trading can be improved.

Such improvements in the technical and mechanical aspects of trading depend, of course, on a continued U.S. commitment to its position as a reliable supplier. The nature of our product makes it especially important that confidence be preserved in the minds of our customers--confidence that we will continue to produce and supply soybeans and soybean products in abundance, at fair market prices, and in the quality desired by users.

No one wants to build a large scale livestock industry based importantly on soybean meal--then find that this product is subject to a lack of supply availability. Such a customer, once burned, will certainly take whatever steps necessary to assure that his needs be covered. And those steps are almost certain to be damaging to the unfaithful supplier.

That brings us to a subject that is much in the political and public mind. I refer to the partial suspension of U.S. exports of farm products to the Soviet Union--in effect since January 4. That action, I wish to emphasize, was in no sense a violation of our policy of supply dependability. And it does not threaten our reputation as a supplier.

Certain points should be made:

(1) The partial suspension was applied to a situation so unique--the brutal invasion of a neighboring country--that one could hardly visualize such a circumstance involving a country other than the Soviet Union.

(2) The President's alternatives were severely limited. It would be unrealistic to argue that the Soviets' action in Afghanistan represents a severe threat to world peace--and to say simultaneously that we will ignore that fact and continue to help the aggressor to strengthen his economy through normal trade.

(3) The embargo has been effective in achieving the goal intended--to deliver a rebuke to the Russians, to frustrate their plans, to worsen the discontent of the people there, to embarrass and inconvenience their leadership. This is a limited objective--and it has been achieved.

(4) The effect on soybean trade has been minimal. In 1979, the USSR imported 1.8 million tons of soybeans from the United States--an amount that is very small in relation to U.S. production and world trade in soybeans and products. No realistic person would argue that the

suspension was responsible for declines in soybean oil and meal prices.

(5) Nor can the suspension be blamed for depressed prices in commodities this spring. The U.S. Government acted immediately to stabilize prices through direct purchases, the assumption of cancelled contracts, and incentives for farm storage. And I would argue that this government through these and other actions has more than compensated for any negative impact on farmers from the suspension.

(7) Finally, there is no evidence that our trading partners world-wide think of the suspension as anything but what it was--an action taken on principle to make it plain to an aggressive superpower that it could not with impunity threaten the peace of the world. There is no indication that our reputation for supply dependability has been at all compromised in the eyes of our customers.

It is true that U.S. farm prices fell off some this spring. Why did this happen?

Grain prices fell because of record levels of production, tight credit, transportation problems, and any psychological impact that may have resulted from the grain suspension. We do recognize that it also took some time for administration actions to become effective in offsetting the impact of the grain suspension.

Soybean prices fell because of the record size of the crop last year in this country and the record crop in Brazil. Other farm prices fell because of heavy supplies of pork and poultry that undercut the demand for beef, high interest rates that discouraged inventory buying, and the impact on other commodity prices when the silver market collapsed.

U.S. soybean exports in the marketing year now ending will total a record 23.1 million tons. We project the following year at somewhere near the same level--perhaps 3 million tons above 1978/79. Total farm product exports are far and away beyond last year's record value of \$32 billion. Our May projection set exports this fiscal year at \$38 billion, and everyone close to the subject is certain that our August 20 projection will be appreciably higher.

Soybeans will continue to move with demand. We foresee no serious threat of new trade restrictions on soybeans. The only likelihood of any new threat to our soybeans would be as a retaliation for a U.S. restriction on a major non-agricultural item now being imported into

this country. Thus, soybean producers and processors have good reason to support an open trade policy since they are likely to be a prime target of retaliation if there are substantial import restrictions on major industrial items.

Our present policies are working well, we believe, because they reflect the needs of farmers for expanded foreign markets. They make certain that we will be competitive in world markets, and they insure our dependability as a reliable supplier in good and bad crop years.

We in government appreciate the fact that a measurable part of the expansion of U.S. soybean trade has been the result of U.S. industry investment overseas. Members of your association have introduced your products into every corner of the globe. As new countries emerge, they come to us for assistance to facilitate economic development and insure access to supplies. We will use these opportunities to strengthen our partnership with your association to assure that soybeans and products receive early and full consideration in trade expansion.

#

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

BERGLAND ANNOUNCES EMERGENCY WATER SUPPLY ASSISTANCE

WASHINGTON, Aug. 8--Nearly \$9 million in drought and heat emergency assistance is being made available to communities in eight states to assure adequate water supplies to rural residents, Secretary of Agriculture Bob Bergland announced today.

The action is in keeping with President Carter's instructions to provide necessary assistance to drought stricken areas, Bergland said.

Twenty-eight water projects located in rural areas of Arkansas, Kansas, Louisiana, North Dakota, Missouri, Oklahoma, Tennessee and Texas will receive loans totaling \$6.3 million and \$2.6 million in grants.

"Many small communities are experiencing difficulties in maintaining adequate water supplies due to the record breaking temperature and drought," Bergland said. "Some wells are drying up and the water level is dropping in many reservoirs. New water sources must be tapped, in some cases."

The existing water systems serving towns with populations of 10,000 or less will deepen wells, drill new wells, extend water lines to neighboring communities, and increase storage. Assistance for these projects will be provided by the Farmers Home Administration, the rural credit agency of the Department of Agriculture.

FmHA has made close to \$1 billion in loans and grants to water and waste disposal systems in rural America during this fiscal year.

#

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

245 USDA STRENGTHENS WORK REQUIREMENT FOR FOOD STAMP RECIPIENTS []

WASHINGTON, Aug. 8--Able-bodied food stamp recipients must actively search for jobs or be dropped from the program, under regulations proposed today by the U.S. Departments of Agriculture and Labor.

"Under the proposed rules, people who fail to look for a job on their own or who don't report for the interviews at their state employment office will find their households dropped from the food stamp program for two months," said [Assistant Secretary of Agriculture Carol Tucker Foreman]

Those who are exempt from the work registration requirement are primarily the elderly and disabled, those already working, those responsible for the care of dependents or those already registered for work under the unemployment insurance and work incentive programs.

The rules also require recipients who register for work to be called in to their state employment service, now identified as job service in many states, for an interview and job classification.

Foreman said under the existing program, funding limitations have prevented employment offices from actually calling in and interviewing any more than the most employable of the food stamp work registrants. Recipients who have registered for work but had few job skills have often not had the benefit of employment office services, Foreman said. Under the proposed rules, USDA would more than double the amount of funding to the U.S. Department of Labor, raising the annual amount to \$70 million so that department can reach hard-to- place recipients.

State job service agencies would continue to refer registrants to potential employers under the proposed rule. But food stamp job seekers would have to supplement this service with their own eight-week job search.

The proposed rules would establish as a standard that work registrants contact between eight to 24 potential employers within the eight week period, and also report for two follow-up interviews with their employment counselors, Foreman said. Requirements for each

person's job search would depend on their individual circumstances and the availability of jobs in the community, as assessed by the job service counselor.

The state job services would report to state welfare agencies the names of food stamp job seekers who refuse to comply with the interviews or job search requirements, as well as those who find jobs.

While the work registration and job search regulations are expected to be in effect by early 1981, the two government agencies plan to run an 18- month demonstration project to test other ways, such as job-finding clubs, to match food stamp applicants with jobs. They will be seeking state welfare and job service agencies to sponsor the demonstration projects.

Today's proposed regulations complete implementation of major food stamp reforms enacted in 1977 and set uniform national standards for work registration and job search activities.

The proposed work registration and job search regulations, as well as proposed guidelines and notice of intent to seek sponsors for the demonstration project are scheduled to be published in the Aug. 8 Federal Register.

Comments on the proposed regulations should be sent by Oct. 7 to Alberta Frost, deputy administrator for family nutrition programs, Food and Nutrition Service, USDA, Washington, D.C., 20250

#

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Release date 6/27/80

245 HJORT DISCUSSES U.S. CROP PRODUCTION, USE AND PRICE PROSPECTS []

WASHINGTON, Aug. 11--The United States is well prepared to meet demand for food and agricultural crops both here and abroad even though current prospects for 1980/81 crops would indicate the largest year-to-year decline in U S grain and oilseed production since 1974, The U.S. Department of Agriculture's chief economist said today.

Speaking in a press conference following release of the department's August world, U.S. and Soviet crop production reports Howard W. Hjort said the new estimates would imply that U.S. farm prices will be up significantly and farm income prospects are becoming stronger. Food prices are not likely to be affected by the reduced crop prospects this year, but may be somewhat higher in 1981 as a result of lower output.

According to the world production report, world wheat production and consumption are likely to be in close balance. Hjort said supplies will probably be adequate, but not excessive, and stocks may increase marginally. World rice production will increase this year--enough to permit a gain in per capita consumption. This is in sharp contrast to last year when per capita rice consumption and stocks both declined.

World coarse grain production is expected to be below the world consumption requirement. Hjort said, and, for the second year in a row, stocks are likely to decline.

World oilseed production is also expected to fall short of the world consumption and world stocks will fall, Hjort said.

World cotton production and consumption will probably be in close balance with stock levels likely to remain very low.

"Given these prospects we expect world cotton prices to remain relatively high, world oilseed prices to be significantly above year-earlier levels, world coarse grain prices to also be significantly above those of a year earlier.

"While world wheat prices are also likely to be higher than last year, we anticipate that price gains for wheat will be less relative to those for

coarse grains and oilseeds. World rice prices may show the smallest gains, compared with a year ago," Hjort said.

"Today's report makes it abundantly clear that U.S. spring-planted crops--corn, sorghum, barley oats, durum and other spring wheat, soybeans, sunflowerseed, cottonseed, flaxseed and cotton--have been hurt by adverse weather conditions in July. Last year, spring-planted crop and hay production totaled 500 million tons. Today's report indicates these crops may total 431 million tons--a decrease of 69 million tons.

"Feed grain production is indicated to be 197 million tons compared with 234 million tons last year and our July estimate that total utilization would reach 230.8 million tons for the 1980/81 season. This could have been a serious situation if we had not had adequate reserves on hand. At present, farmers have slightly more than 25 million tons of feed grains in the farmer-owned reserve. Another 8 to 9 million tons are owned by the government," Hjort said.

"Oilseed production is indicated to be 59.8 million tons compared to the 72.5 million tons produced last year. Total use in 1979/80 is estimated to be 65.9 million tons and stocks at the beginning of the new season are estimated at 12.8 million tons," the economist said.

"On the other hand," Hjort said, "wheat production is record high. Improvement in winter wheat prospects and durum have offset reduced prospects for other spring wheat."

Hjort said although official estimates on supply and utilization would be issued Aug. 12, he would anticipate cotton stocks to remain quite low. Oilseed stocks will be reduced--probably to little more than pipeline needs. A sharp reduction in feed grain stocks is expected while wheat stocks may remain near beginning year levels. Rice stocks, however, may rise some.

"While it appears that adequate world supplies of feedstuffs for Livestock should be available, stocks may be quite low at the beginning of the 1981 season. Food grain supplies are more than adequate both here and abroad and they are reasonably well-distributed. It thus appears that there may be some increase in per capita consumption.

"There will, however, be a gain in wheat fed to animals-- especially in Europe. That factor, combined with poor crop prospects in Canada and the poor spring crop in the United States, should mean a relatively

tight world wheat balance."

Hjort said crop production in the USSR is still predicted to range between 200 and 225 million tons. However, after July's dismal weather conditions, the final outturn may be closer to the lower end of that scale.

#

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

EMERGENCY FEED ASSISTANCE INCREASED

WASHINGTON, Aug. 11--Livestock producers may receive 3 cents per pound of hay or other feed grain equivalent in cost share payments to help maintain their livestock operations through the current drought period, Howard W. Hjort, director of economics, policy analysis and budget of the U.S. Department of Agriculture announced today.

Such assistance had been 2 cents per pound.

By law, cost-share payments cannot exceed 50 percent of the cost of the feed. Today's adjustment reflects this year's stronger prices for hay and other feeds.

The emergency livestock feed program provides payments to eligible livestock owners to cover a portion of the cost of feed purchased to replace feed that normally would be produced on the farm had no natural disaster taken place.

Producers may apply for assistance at local USDA Agricultural Stabilization and Conservation Service offices.

#

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

245 USDA PROPOSES REMOVAL OF FEDERAL CROP INSURANCE OFFICIALS []

WASHINGTON, Aug. 12--Winston L. Wilson, deputy under secretary of agriculture for commodity programs, today proposed the removal of two officials of the Federal Crop Insurance Corporation (FCIC) for allegedly engaging in prohibited or irregular personnel practices.

The two officials are W. Otto Johnson, FCIC deputy manager, and Roy L. Alton, assistant manager for administrative management.

Administrative action against a third official, FCIC manager James D. Deal, is being held up pending a ruling on his application for disability retirement.

All three were relieved of their duties and responsibilities July 3 and placed on administrative leave pending completion of an investigation into allegations of improper personal conduct and personnel practices in the FCIC.

The results of the investigation are contained in reports prepared by USDA's Office of Personnel and Office of the Inspector General.

"None of the allegations against these officials reflect on the basic mission of the FCIC," said Wilson. "They are strictly administrative matters.

"There has been and will be no interruption in the services that the FCIC has provided to over 250,000 farmers for more than 40 years, nor will there be any changes in new crop insurance legislation," Wilson said.

Wilson also said that Everett Sharp, former head of actuarial services, will continue as acting manager of FCIC. Roland Wentzel, former assistant to the under secretary for International Affairs and Commodity Programs, will remain acting deputy manager.

Johnson and Alton have 10 days to respond to the proposals, during which time they will remain in nonduty status with pay. If a final decision is made to implement the proposal, the decision will be effective in not less than 30

##

Press Releases

U.S. Department of Agriculture • Office of Governmental and Public Affairs

245 PROCESSED MEAT AND POULTRY PRODUCTS TO BE 12 INSPECTED UNDER QUALITY CONTROL SYSTEM [1,2]

WASHINGTON, Aug. 14--Effective Sept. 15, meat and poultry processing plants may be inspected under a quality control system, according to Assistant Secretary of Agriculture Carol Tucker Foreman. "This change will modernize the U.S. Department of Agriculture's meat and poultry inspection," Foreman said.

Processing plants, which produce such items as frankfurters, frozen dinners and soups containing meat and poultry, will have the option of changing to the new inspection system. It does not apply to the inspection of animals in slaughtering operations.

"This new system will increase the efficiency of inspection while maintaining consumer protection," Foreman said. "In no way will the authority and responsibility of the USDA inspector be reduced.

"Quality control inspection, however, will increase the effectiveness of the inspector by making available a greater amount of more objective information for making inspection decisions," she said. "We will be taking advantage of the technological advances in the processing industry.

"As a result, regulation will be improved, and the overall inspection program will be more effective because we can put more emphasis on emerging areas of concern in inspection."

Under the new inspection program, firms operating quality control systems can voluntarily apply to USDA for approval of the system, Foreman said. Approval will be based on assurance that the system will produce products in compliance with the requirements of the inspection laws for wholesomeness and label accuracy.

Companies with approved quality control systems will have the option of using a special logo on their package labels.

"Processing plants have established quality control systems because it is good business," Foreman said. "It permits plants to consistently produce a uniform product at least cost.

"Although we had anticipated that early participation on this new program would come from larger plants with established quality control

systems, the pilot program now underway has demonstrated that small plants as well can implement total quality control successfully," Foreman said.

When requested, USDA will provide assistance to plants in establishing quality control programs, she said.

In quality control system, critical points in the production process are monitored. These critical points in processing meat and poultry products are any part of the production where the safety of the product could be affected or accurate labeling of the product could be jeopardized. For example, records would be maintained on the condition of all raw materials and on time and temperature she said.

Inspectors assigned to quality control plants will monitor the plant quality control system to assure it is being properly administered, and that product is in compliance. They will also take product samples for testing in USDA labs as one means of verifying that plant records are correct.

USDA has begun a special training program for inspectors who will work in quality control plants, Foreman said.

The new regulation provides for USDA termination of approval of a plant's quality control system if the firm's products are adulterated or misbranded or if the plant fails to correct problems in the system on their own or when notified by USDA.

A plant may also voluntarily withdraw from the program.

USDA received 1,550 written comments on the proposal which was published in the Sept. 14, 1979, Federal Register.

The new regulation will be published in the Aug. 15 Federal Register, available at local libraries.

#

